

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Inventors : Alexander Franz et al. Art Unit : 2626
Patent No. : 7,555,428 Examiner : Paras D. Shah
Issue Date : June 30, 2009 Conf. No. : 1475
Serial No. : 10/647,203
Filed : August 21, 2003
Title : SYSTEM AND METHOD FOR IDENTIFYING COMPOUNDS THROUGH
ITERATIVE ANALYSIS

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

**RESPONSE TO DECISION DISMISSING REQUEST FOR RECONSIDERATION OF
PATENT TERM ADJUSTMENT UNDER 37 CFR 1.705**

In a Decision Dismissing Request for Reconsideration of Patent Term Adjustment Under 37 C.F.R. 1.705 (“Decision”) dated November 19, 2009, the United States Patent and Trademark Office (“Office”) dismissed Patentees’ Application For Patent Term Adjustment (PTA) Under 37 C.F.R. § 1.705(d) for the above patent. The Office agreed with Patentees’ assertion that the patent should be accorded 341 days of “B Delay;” however, the Office did not follow Patentees’ request to apply the rule set forth in Wyeth v. Dudas, 580 F. Supp. 2d 138 (D.D.C. 2008) with respect to the calculation of “overlap” of “A Delay” and “B Delay.” The legal issue concerning the calculation of such “overlap” is identical to the legal issue decided by Wyeth. Following the Wyeth precedent would result in a total PTA calculation of 915 days, for the reasons detailed in Patentees’ Application for PTA filed on August 31, 2009.

The Office acknowledged that Patentee requested recalculation of PTA according to the rule set forth in Wyeth. Decision at page 2. However, that acknowledgement was the sole mention of the Wyeth case in the entire Decision. Most of the Decision puts forth the Office’s support for a legal argument that had been considered and rejected by the court in Wyeth. The Office’s arguments appear to be presented anew in the Decision as though the Wyeth case has no relevance to the present PTA calculation.

The statute governing PTA instructs a patentee dissatisfied with a determination made by the Director to pursue a civil action against the Director in the United States District Court for

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the District of Columbia. 35 USC §154(b)(4)(A). The statute makes clear that the District Court for the District of Columbia is the sole court with jurisdiction to hear such PTA challenges. It was under this statutory provision that Wyeth brought its action against the Director and prevailed on the exact same legal issue that is in contention for the present patent. Still, and despite the previous adverse ruling on this legal issue, the Office in the present Decision has ignored the clear ruling of the only district court with authority to consider PTA challenges.

In its opinion in Wyeth v. Kappos, No. 2009-1120 (Fed. Cir. Jan. 7, 2010), the Court of Appeals for the Federal Circuit affirmed the Wyeth district court decision. In finding the Office's statutory interpretation "strained" and irreconcilable with the language of the statute, the Federal Circuit panel held unanimously that a patentee is entitled to PTA that includes the addition of periods of A Delay and B Delay to the extent that they do not occur on the same calendar day(s).

As the identical legal issue of the present PTA challenge has already been decided by the Federal Circuit, the Office must either follow the law as interpreted by that court or stay a final decision on this patent if it intends to seek further judicial review of the Wyeth matter.

Subsequent to the Wyeth district court decision, numerous patentees filed suits in the District Court for the District of Columbia challenging PTA calculations based on the same legal issue presented in Wyeth. Because the District Court for the District of Columbia had already decided the issue and the Office appealed that decision to the Federal Circuit, the Office and the plaintiffs have requested stays of most or all of those litigations pending the outcome of that appeal. Fairness dictates that the Office act in a consistent manner during the present administrative process. Given its current legal posture, it would be fundamentally unfair for the Office to render a final negative ruling on this issue when its interpretation of the statute has been rejected by the courts.

The Decision states that "Patentees' interpretation of the period of overlap has been considered, but found inconsistent with the Office's interpretation of this provision [of 35 USC §154(b)(2)(A)]." Decision at page 2. However, as noted above, the Federal Circuit has squarely rejected the Office's interpretation of this statutory provision. "While deference is to be given to

an agency's interpretation of the statute it administers [citations omitted], it is the courts that have the final word on matters of statutory interpretation." Ithaca College v. NLRB, 623 F.2d 224, 228 (2d Cir. 1980) (citing *inter alia* Marbury v. Madison, 5 U.S. (1 Cranch) 137, 177, 2 L.Ed. 60 (1803)). By comparison to the Office's apparent disregard for the precedent of the District Court for the District of Columbia in calculating PTA for the present patent, the National Labor Relations Board has been admonished for its practice of refusing to follow unfavorable decisions from the courts in instances where it was likely that a case at issue would come up for review before the very court with which the Board disagrees.

Of course, we do not expect the Board or any other litigant to rejoice in all the opinions of this Court. When it disagrees in a particular case, it should seek review in the Supreme Court. During the interim before it has sought review or while review is still pending, it would be reasonable for the Board to stay its proceedings in another case that arguably falls within the precedent of the first one. However, the Board cannot, as it did here, choose to ignore the decision as if it had no force or effect. Absent reversal, that decision is the law which the Board must follow. The Board cites no contrary authority except its own consistent practice of refusing to follow the law of the circuit unless it coincides with the Board's views. This is intolerable if the rule of law is to prevail.

Id. Similarly, absent a reversal by the Supreme Court or the Federal Circuit sitting *en banc*, the Office cannot act in a manner that ignores the Federal Circuit decision in Wyeth as if it had no force or effect.

Patentees request that the Office follow the legal authority of Wyeth and increase total PTA for the present patent to 915 days (for the same reasons detailed in the Application for PTA filed on August 31, 2009). If the Office is unwilling to follow the ruling in Wyeth while the appeal of that decision is ongoing, then it should at a minimum follow the rationale it has put forth recently in PTA litigations pending before the District Court for the District of Columbia and stay a final decision on this matter until the Wyeth appeal process has been completed. It is the courts, and not the Office, that must have the final word on this matter of statutory interpretation.

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No fee is believed due; however, if any fee is due, please charge it to Deposit Account No. 06-1050, referencing Attorney Docket Number 16113-1230001.

Respectfully submitted,

Date:January 19, 2010

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